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*Counsel to the Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

CELSIUS NETWORK LLC, *et al.*,<sup>1</sup>

Debtors.

)  
) Chapter 11  
)  
) Case No. 22-10964 (MG)  
)  
) (Jointly Administered)  
)

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**HEARING ON PHASE I CUSTODY AND WITHHOLD  
ISSUES AND CUSTODY AND WITHHOLD MOTION TO BE HELD  
DECEMBER 7, 2022, AT 9:00 A.M. (PREVAILING EASTERN TIME)  
AND DECEMBER 8, 2022, AT 9:00 A.M. (PREVAILING EASTERN TIME)**

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Time and Date of Hearing: December 7, 2022, at 9:00 a.m. (prevailing Eastern Time)  
December 8, 2022, at 9:00 a.m. (prevailing Eastern Time)

Location of Hearing: The Honorable Chief Judge Martin Glenn  
United States Bankruptcy Court for the Southern District of New York  
Alexander Hamilton U.S. Custom House  
One Bowling Green, Courtroom No. 523  
New York, New York 10004

Hearing Attendance Instructions: In accordance with General Order M-543 ("General Order M-543"), dated March 20, 2020, the Hearing will take place in a hybrid fashion both in person and via Zoom for Government. Those wishing to

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

participate in the Hearing in person may appear before the Honorable Martin Glenn, Chief United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of New York, in Courtroom No. 523, located at One Bowling Green, New York, New York 10004-1408. Those wishing to participate in the Hearing in person are required to wear a mask when not speaking or presenting. Parties wishing to appear at the Hearings live or via Zoom, whether making a “live” or “listen only” appearance before the Court, need to make an electronic appearance through the Court’s website at <https://ecf.nysb.uscourts.gov/cgi-bin/nysbAppearances.pl>. Electronic appearances (eCourtAppearances) need to be made by **4:00 p.m. (prevailing Eastern Time) on December 6, 2022, and on or before 4:00 p.m. (prevailing Eastern Time) on December 7, 2022.**

Due to the large number of expected participants in the Hearing and the Court’s security requirements for participating in a Zoom for Government audio and video hearing, all persons seeking to attend the Hearing scheduled to commence at 9:00 a.m., December 7, 2022 (prevailing Eastern Time), must connect to the Hearing beginning at 8:00 a.m., December 7, 2022 (prevailing Eastern Time). All persons seeking to attend the Hearing scheduled to commence at 9:00 a.m., December 8, 2022 (prevailing Eastern Time), must connect to the Hearing beginning at 8:00 a.m., December 8, 2022 (prevailing Eastern Time).

When parties sign into Zoom for Government and add their names, they must type in the first and last name that will be used to identify them at the Hearing. Parties that type in only their first name, a nickname or initials will not be admitted into the Hearing. When seeking to connect for either audio or video participation in a Zoom for Government Hearing, you will first enter a “Waiting Room,” in the order in which you seek to connect. Court personnel will admit each person to the Hearing from the Waiting Room after confirming the person’s name (and telephone number, if a telephone is used to connect) with their eCourtAppearance. Because of the large number of expected participants, you may experience a delay in the Waiting Room before you are admitted to the Hearing.

Copies of Motions:

A copy of each pleading may be obtained free of charge by visiting the website of Stretto at <https://cases.stretto.com/Celsius>. You may also obtain copies of any pleadings by visiting the Court’s website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

**I. Contested Matters.**

**1. Phase I Custody and Withhold Issues.**

Objection Deadline: The deadline for the Parties to file Opening Briefs was November 5, 2022, at 11:59 p.m. (prevailing Eastern Time). The deadline for the Parties to file Response Briefs was December 2, 2022, at 4:00 p.m. (prevailing Eastern Time).

Responses Received:

- (1) Ad Hoc Group of Withhold Account Holders' Phase I Brief Pursuant to the Joint Stipulation and Agreed Scheduling Order By and Among the Debtors, the Committee, and the Ad Hoc Groups with Respect to the Custody and Withhold Issues [Docket No. 1289].
- (2) The Official Committee of Unsecured Creditors' (A) Opening Brief on Phase I Custody and Withhold Issues and (B) Statement in Partial Support of and Limited Objection to Debtors' Custody and Withhold Motion [Docket No. 1290].
- (3) Debtors' Memorandum of Law Regarding Phase I Custody and Withhold Issues [Docket No. 1291].
- (4) Ad Hoc Group of Custodial Account Holders' (A) Phase I Opening Brief and (B) Limited Objection to the Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief [Docket No. 1292].
- (5) Debtors' Responsive Brief on Phase I Custody and Withhold Issues [Docket No. 1567].
- (6) The Official Committee of Unsecured Creditors' Response Brief on Phase I Custody and Withhold Issues [Docket No. 1571].
- (7) Ad Hoc Group of Custodial Account Holders' Response to the Debtors' and the Creditors' Committee's Phase I Opening Briefs [Docket No. 1572].
- (8) Ad Hoc Group of Withhold Account Holders' Phase I Response Brief with Respect to the Custody and Withhold Issues [Docket No. 1573].

- (9) RH Montgomery Properties, Inc.'s Response to the Debtors' and the Creditors' Committee Phase I Opening Briefs and in Support of RH Montgomery's Limited Objection [Docket No. 1574].

Related Documents:

- (1) Adversary Complaint (Adv. Pro. No. 22-01142). Complaint against Celsius Network LLC, Celsius Keyfi LLC, Celsius Lending LLC, Celsius Mining LLC, Celsius Network Inc., Celsius Network Limited, Celsius Networks Lending LLC, Celsius US Holding LLC [Docket No. 662].
- (2) Ad Hoc Group of Withhold Account Holders' Motion for Relief from the Automatic Stay [Docket No. 737].
- (3) Notice of Abatement of Objection Deadlines to Certain Motions and Response Deadline to Custody Complaint Pending Entry of a Scheduling Order [Docket No. 937].
- (4) Letter and Proposed Joint Joint Stipulation and Agreed Scheduling Order By and Among the Debtors, the Committee, and the Ad Hoc Groups with Respect to the Custody and Withhold Issues [Docket No. 988].
- (5) Notice of Filing of Revised Proposed Joint Stipulation and Agreed Scheduling Order By and Among the Debtors, the Committee, and the Ad Hoc Groups with Respect to the Custody and Withhold Issues [Docket No. 996].
- (6) Joint Stipulation and Agreed Scheduling Order By and Among the Debtors, the Committee, and the Ad Hoc Groups with Respect to the Custody and Withhold Issues [Docket No. 1044].
- (7) Declaration of Oren Blonstein, Head of Innovation and Chief Compliance Officer of Celsius Network Limited, with Respect to Certain Phase I Issues Pursuant to the Joint Stipulation and Agreed Scheduling Order By and Among the Debtors, the Committee, and the Ad Hoc Groups with Respect to the Custody and Withhold Issues [Docket No. 1192].
- (8) Letter re Filing Deadline Extensions for Phase I Issues Opening Briefs and Examiner's Interim Report [Docket No. 1234].
- (9) Granted Confirmation of Filing Deadline Extensions for Phase I Issues Opening Briefs and Examiner's Interim Report [Docket No. 1245].

- (10) Notice of Status Conference Regarding the Custody and Withhold Issues [Docket No. 1369].
- (11) Notice of Status Conference Regarding the Custody and Withhold Issues [Docket No. 1370].
- (12) Interim Report of Shoba Pillay, Examiner [Docket No. 1411].
- (13) Supplemental Declaration of Oren Blonstein, Head of Innovation and Chief Compliance Officer of Celsius Network Limited, with Respect to Certain Phase I Issues Pursuant to the Joint Stipulation and Agreed Scheduling Order By and Among the Debtors, the Committee, and the Ad Hoc Groups with Respect to the Custody and Withhold Issues [Docket No. 1531].
- (14) Supplemental Declaration of Oren Blonstein, Head of Innovation and Chief Compliance Officer of Celsius Network Limited, with Respect to the Custody and Withhold Issues [Docket No. 1532].
- (15) Joint Stipulation and Agreed Order By and Among the Debtors and the Withhold Ad Hoc Group Regarding Cryptocurrency Amounts to Satisfy Withhold Liabilities [Docket No. 1563].
- (16) Joint Stipulation and Agreed Order By and Among the Debtors, the Ad Hoc Groups, and the Official Committee of Unsecured Creditors Regarding the Admissibility of the Interim Examiner Report for the Phase I Issues Hearing [Docket No. 1580].
- (17) Joint Stipulation and Agreed Order By and Among the Debtors and the Withhold Ad Hoc Group Regarding Certain Transfers Between Earn and Withhold Accounts [Docket No. 1581].

2. **Custody and Withhold Motion.** Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief [Docket No. 670].

Objection Deadline: The initial objection deadline was September 29, 2022, at 4:00 p.m. (prevailing Eastern Time). The objection deadline was extended to November 5, 2022, at 4:00 p.m. (prevailing Eastern Time).

Responses Received:

- (1) Letter Objection Re: Notice of Hearing on Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program [Docket No. 725].

- (2) Letter Objection Re: Notice of Hearing on Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program [Docket No. 753].
- (3) Omnibus Objection to the Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief Docket #670, to the Ad Hoc Group of Custodial Account Holders' Adversary Case #22-01142 Complaint for Declaratory Judgment Docket #662, and to the Ad Hoc Group of Withhold Account Holders' Motion for Relief from the Automatic Stay Docket #737 [Docket No. 914].
- (4) Limited Omnibus Objection of the United States Trustee to (I) the Debtors' Motion Seeking Entry of an Order Authorizing Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts [ECF Doc. No. 670] and (II) Motion Seeking Entry of an Order Permitting the Sale of Stablecoin in the Ordinary Course [ECF Doc. No. 832] [Docket No. 933].
- (5) Joinder to Cameron Crews's (Docket #914) "Omnibus Objection to the Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief Docket #670, to the Ad Hoc Group of Custodial Account Holders' Adversary Case #22-01142 Complaint for Declaratory Judgment Docket #662, and to the Ad Hoc Group of Withhold Account Holders' Motion for Relief from the Automatic Stay Docket #737." [Docket No. 951].
- (6) Omnibus Objection to Court Filings Taking Positions on Which Coins Are Customer Property [Docket 954].
- (7) Supplemental Response, Declaration, Exhibit, and Request for Relief Re: [D.R. 954] [Docket No. 1043].
- (8) Amended Supplemental Response, Declaration, Exhibit, and Request for Relief [Revision of Original Filing D.R. 1043, in Response to D.R. 954] [Docket No. 1058].
- (9) Ad Hoc Group of Custodial Account Holders' (A) Phase I Opening Brief and (B) Limited Objection to the Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets

Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief [Docket No. 1292].

- (10) RH Montgomery Properties, Inc.'s Limited Objection to the Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief [Docket No. 1293].
- (11) Joinder of Adrian Perez-Siam to RH Montgomery Properties, Inc.'s Limited Objection to the Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief [Docket No. 1311].
- (12) RH Montgomery Properties, Inc.'s Response to the Debtors' and the Creditors' Committee Phase I Opening Briefs and in Support of RH Montgomery's Limited Objection [Docket No. 1574].

Related Documents:

- (1) Amended Notice of Adjournment of Hearing on Certain Motions [Docket No. 857].
- (2) Notice of Abatement of Objection Deadlines to Certain Motions and Response Deadline to Custody Complaint Pending Entry of a Scheduling Order [Docket No. 937].
- (3) Notice of Agenda for Status Conference to be Held on October 7, 2022 [Docket No. 984].
- (4) Debtors' Omnibus Reply in Support of Debtors' Motion Seeking Entry of an Order (I) Authorizing the Debtors to Reopen Withdrawals for Certain Customers with Respect to Certain Assets Held in the Custody Program and Withhold Accounts and (II) Granting Related Relief [Docket No. 1565].

**Status:** This matter is going forward.

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New York, New York  
Dated: December 5, 2022

/s/ Joshua A. Sussberg

**KIRKLAND & ELLIS LLP**  
**KIRKLAND & ELLIS INTERNATIONAL LLP**

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